

Revenues by Type 2002 - 2005

SOURCES BY TYPE	2002 ACTUAL	2003 ADOPTED	2003 REVISED	2004 ADOPTED	2005 APPROVED
General property taxes	71,441,102	74,417,450	74,418,440	81,736,330	84,773,450
Motor vehicle tax	11,107,609	11,002,270	11,045,880	11,266,800	11,492,130
Local sales tax	40,952,104	42,430,740	40,952,100	41,771,140	42,815,420
Gas tax	15,222,590	15,229,770	14,369,460	14,656,850	14,949,980
Franchise fees	28,792,310	31,308,880	29,760,570	29,840,690	30,497,150
Water/Sewer utility fees	63,173,685	65,136,110	62,698,010	64,837,020	67,008,020
Other enterprise fees	9,929,751	8,413,490	7,977,260	8,126,220	8,372,540
Internal service revenues	41,477,584	46,659,520	45,700,690	51,166,310	54,900,080
Special assessments	25,745,491	24,721,660	24,915,690	23,722,350	22,677,530
Operating grants / shared revenues	17,629,241	11,256,320	5,883,440	5,940,030	6,118,060
Transient guest tax	4,360,960	4,541,680	4,439,570	4,321,670	4,364,890
Fines and penalties	8,139,288	9,176,940	9,302,150	9,476,760	9,426,760
Licenses and permits	7,124,352	5,850,650	6,189,430	6,783,920	6,814,490
Interest earnings	7,792,174	9,004,690	7,570,460	7,677,220	7,264,480
Charges for services and sales	18,203,380	17,974,010	19,624,040	19,441,780	19,973,480
Rental income	13,802,667	14,253,280	13,773,450	14,116,850	14,356,750
Administrative charges	2,567,658	3,075,110	3,178,110	3,184,210	3,192,140
Other revenues and transfers in	34,256,087	30,793,810	28,668,920	26,066,900	26,765,260
Grand total sources	421,718,032	425,246,380	410,467,670	424,133,050	435,762,610
Interfund transactions	67,895,253	68,328,010	70,564,270	74,740,620	78,742,110
Net annual budget sources	353,822,779	356,918,370	339,903,400	349,392,430	357,020,500

Due to GASB 34 several trust funds were reassigned as special revenue funds, beginning in 2002. Comparisons to years prior to 2002 will be skewed as a result.

Expenditures by Category 2002 - 2005

		2002 ACTUAL	2003 ADOPTED	2003 REVISED	2004 ADOPTED	2005 APPROVED
110	Regular Salaries	99,173,386	109,336,440	106,370,595	110,113,460	112,855,990
120	Special Salaries	5,710,115	5,654,260	3,328,070	3,436,620	3,507,950
130	Overtime	5,417,305	2,729,480	2,676,040	2,397,650	2,397,650
140	Employee Benefits	28,463,853	32,676,000	31,273,827	34,481,290	37,240,360
150	Planned Savings	4,664	(2,762,930)	(314,140)	(2,167,750)	(2,489,380)
Personal Services		138,769,323	147,633,250	143,334,392	148,261,270	153,512,570
210	Utilities	12,796,997	14,778,060	14,020,100	14,019,430	14,018,690
220	Communications	1,722,296	1,757,200	1,683,030	1,675,540	1,706,290
230	Transportation and Training	579,132	580,900	529,630	440,690	441,140
240	Insurance	1,712,897	1,594,980	1,624,260	1,633,680	1,633,620
250	Professional Services	28,681,066	30,359,990	28,823,339	24,604,960	25,804,000
260	Data Processing	4,714,958	4,921,090	4,835,370	5,068,310	5,060,020
270	Equipment Charges	8,415,184	8,440,210	7,246,670	8,519,040	8,559,780
280	Buildings and Grounds Charges	1,580,691	1,774,300	1,744,780	1,576,760	1,738,340
290	Other Contractuals	3,883,330	4,850,480	5,590,599	4,313,750	4,333,200
Contractuals		64,086,550	69,057,210	66,097,778	61,852,160	63,295,080
310	Office Supplies	423,687	520,720	502,330	488,470	488,470
320	Clothing and Towels	573,819	690,600	649,120	684,140	684,150
330	Chemicals	2,237,961	2,553,160	2,354,710	2,361,280	2,371,780
340	Equipment Parts and Supplies	3,140,443	3,420,080	3,565,690	3,485,780	3,528,930
350	Materials	1,771,984	2,942,140	2,918,580	2,855,810	2,942,810
370	Building Parts and Materials	670,368	450,940	474,280	484,150	484,150
380	Non-capitalizable Equipment	2,251,079	2,191,180	2,103,640	2,287,660	2,310,020
390	Other Commodities	198,892	755,990	716,220	670,950	670,950
Commodities		11,268,234	13,524,810	13,284,570	13,318,240	13,481,260
410	Land	100,500	0	0	0	0
420	Buildings	34,816	489,580	491,980	938,560	91,000
430	Improvements Other Than Bldgs.	0	30,000	91,000	17,000	30,000
440	Office Equipment	235,099	442,530	321,070	162,810	158,850
450	Vehicular Equipment	1,176,240	1,349,050	1,095,900	828,000	1,416,600
460	Operating Equipment	3,770,146	1,369,200	1,712,400	1,518,310	1,574,510
Capital Outlay		5,316,801	3,680,360	3,712,350	3,464,680	3,270,960
510	Interfund Transfers	23,094,490	22,983,340	21,051,190	21,262,220	19,468,990
520	Debt Service	72,374,111	84,997,480	86,358,950	109,419,260	92,129,370
530	Other Nonoperating Expenses	6,716,107	9,762,380	4,908,140	8,482,180	7,652,680
540	Inventory Accounts	440,548	1,380,850	1,606,950	1,606,950	1,606,950
Other		102,625,257	119,124,050	113,925,230	140,770,610	120,857,990
Total Expenditures		322,066,164	353,019,680	340,354,320	367,666,960	354,417,860

Expenditures by Funds 2002 - 2005

EXPENDITURES BY FUND	2002 ACTUAL	2003 ADOPTED	2003 REVISED	2004 ADOPTED	2005 APPROVED
General Fund	152,016,682	161,122,590	155,307,390	160,089,470	164,747,650
Debt Service	53,278,686	62,642,090	62,636,580	82,221,880	63,375,770
Total tax levy funds	205,295,368	223,764,680	217,943,970	242,311,350	228,123,420
Tourism & Convention Promotion	4,622,235	4,642,950	4,484,630	4,368,660	4,406,480
Downtown Trolley System *	109,587	140,410	140,180	141,360	142,240
Special Alcohol Programs	1,825,270	1,316,260	1,314,850	1,454,920	1,354,920
Special Parks & Recreation	1,165,350	1,398,170	1,398,170	1,386,980	1,348,460
Ice Rink Management *	1,477,833	2,500,000	2,500,000	1,600,000	1,600,000
Landfill	3,174,465	1,116,460	1,634,940	677,040	679,500
Landfill Post Closure *	4,901,294	8,601,380	1,574,660	1,732,880	1,902,910
Central Inspection	5,191,657	5,773,790	5,131,480	5,289,400	5,429,140
Economic Development *	3,764,502	2,095,970	4,167,020	768,810	698,420
Sales Tax Construction Pledge *	19,602,625	22,269,380	22,269,380	23,543,330	21,547,930
Property Management Operations	1,282,851	1,831,270	1,701,800	2,047,460	1,247,390
State Office Building Complex	1,063,072	1,281,430	1,279,640	1,283,210	1,188,040
TIF Districts	4,527,206	5,865,680	5,527,960	7,161,690	8,153,440
SSMID	467,338	495,000	495,000	510,000	520,000
City/County Joint Operations *	4,326,458	3,147,010	2,883,610	3,055,980	3,181,600
Art Museum Board *	1,192,504	1,395,370	1,299,990	1,282,460	1,281,240
Cemetery Fund *	26,956	29,400	29,400	29,400	29,400
Total special revenue funds	58,721,204	63,899,930	57,832,710	56,333,580	54,711,110
Airport	11,995,471	10,960,530	11,671,590	11,831,180	12,186,940
Golf Course Operations	3,160,625	4,483,200	4,552,740	4,644,990	4,715,900
Transit	4,748,429	5,176,840	5,052,840	5,242,310	5,398,280
Sewer Utility Operations	23,832,402	26,100,810	26,797,990	29,208,370	30,812,700
Water Utility Operations	30,950,920	35,311,200	35,306,500	37,990,750	38,921,590
Storm Water Management	5,079,477	6,021,570	6,091,260	6,904,270	6,503,660
Total enterprise funds	79,767,324	88,054,150	89,472,920	95,821,870	98,539,070
Information Technology	4,952,057	7,829,970	7,817,010	8,134,130	7,239,380
Equipment Motor Pool	9,631,009	10,531,440	10,987,310	11,034,220	10,899,870
Stationery Stores	1,591,186	1,072,240	1,069,540	1,027,170	1,028,460
Self Insurance	23,163,029	29,359,630	28,466,740	32,781,780	36,849,550
Total internal service funds	39,337,280	48,793,280	48,340,600	52,977,300	56,017,260
Gross expenditures	383,121,176	424,512,040	413,590,200	447,444,100	437,390,860
Interfund transactions	61,055,012	71,492,360	73,235,880	79,777,140	82,973,000
Net annual budget uses	322,066,164	353,019,680	340,354,320	367,666,960	354,417,860

* These funds were formerly trust funds. As a result of GASB 34 they have been reassigned as special revenue funds, beginning in 2002. They are presented here with financial information for years prior to 2002 for reference and comparative purposes.

Note: Totals exclude appropriated fund balance reserve. Trust Funds and Enterprise Construction Funds are also excluded.

REVENUE ASSUMPTIONS**Revenues (overall) ...**

- ❑ will grow at an average 3% annually through the planning period (2004-2008). Since 1990, on an actual basis, revenues increased an average 3.1% annually.
- ❑ are substantially affected by decreases in intergovernmental aid from the state (demand transfers) and a lackluster economy, partially offset by strong growth in property valuation and several small revenue enhancements.

Current property taxes ...

- ❑ will grow at 7.97% in 2004. One of the few very favorable trends in the revenue portfolio. It was previously assumed that property value increases would slow to 3.5% in 2004. That assumption was based on apparent trends in valuation and the economic news of local workforce reductions and the notion that interest rates had bottomed out, suggesting lower demand for residential and commercial real estate. That has not happened. Furthermore, there appears to have been a genuine paradigm shift in the valuation process. Prior to 1997, valuation growth rarely exceeded 3% and never exceeded 4% (actually averaging less than 2% annually); since 1997, growth has steadfastly exceeded 4% and often exceeds 5%.

Year	City	County
1994	-1.5%	-0.5%
1995	2.7%	2.7%
1996	1.1%	2.7%
1997	3.8%	4.1%
1998	4.5%	6.0%
1999	4.9%	5.1%
2000	7.9%	6.0%
2001	9.5%	7.3%
2002	5.4%	5.1%
2003	4.2%	3.7%
10 yr avg	4.3%	4.2%

- ❑ will grow at 4% annually in 2005 through 2008, and assumes **no change in the taxing rate**.
- ❑ have been skewed in recent years by aggressive annexation activity. In the accompanying table, the county growth rate is more indicative of actual growth (exclusive of annexation activity).

Franchise fees ...

- ❑ for utilities as a group are projected to increase 0.3% in 2004. Through the balance of the planning period (2005-2008) franchise fees will increase 2.6% annually. The actual annual growth rate since 1996 has been 1.7%.
- ❑ include many of the City's more economically sensitive revenue sources, including cable and telecommunication services. In addition to consumers being more "use conscious" during periods of economic duress, they also minimize dependence on discretionary items such as cable television and a second or third phone line.
- ❑ assume normal climate and weather patterns.
- ❑ reflect increases in water and sewer fees based upon projected rate increases, as reported in the respective fund presentations.
- ❑ assume KGE franchise fees will increase 3% annually now that all the rate reductions have been fully implemented.
- ❑ assume natural gas franchise fees will increase 7% in 2003 and 2004 as a result of more severe temperatures early in 2003 and anticipated higher gas prices in the 2003/2004 winter months.
- ❑ assume continuing decline in SW Bell franchise revenues (-19% in 2003, -15% in 2004, and -10% in 2005) as the market continues to shift from land lines to wireless alternatives (for which the City cannot assess franchise fees).
- ❑ assume a decline in cable franchise fees for 2003 (-6%) as the effects of the FCC ruling to exempt cable modems from franchise agreements is absorbed for a full year (the ruling was made effective in the fall of 2002); thereafter, annual increases of 2% in 2004 and 3% in years 2005-2008 are expected.

Motor vehicle property taxes ...

- ❑ received to-date from the County Treasurer are lower than in 2002 by 1.2%.
- ❑ are assumed to grow at 0% in 2003 and 2% annually in 2004 and 2005.

Local sales taxes ...

- ❑ are expected to increase 0% in 2003, 2% in 2004, 2.5% in 2005, and an average 2.75% annually thereafter through 2008.
- ❑ are currently 3% lower than YTD 2002.

Gas tax revenues ...

- ❑ are volume based on wholesale gallons sold. Higher prices and economic circumstances are expected to lower sales in the current year (-5.6%). The long-term forecast assumes 2% annual growth in 2004 and 2005, rebounding to growth of 2.5% annually thereafter.

State-shared revenues ...

- ❑ include alcohol tax, highway link maintenance, and demand transfers (a statutorily-prescribed portion of state sales tax revenue set aside for distribution to local governments). Bingo fee revenue was eliminated by the state two years ago.
- ❑ are severely reduced in 2003 and in all future years by the state's elimination of demand transfers. This amounts to a revenue loss of more than \$6 million annually.

Fines and penalties...

- ❑ are expected to increase 14% in 2003 due to enhanced traffic enforcement and fine increases imposed by the Municipal Court in mid-2002 (2002 included only 5 months of increased fines, 2003 will have 12 months collected under the new fine schedule).
- ❑ increases in 2004 will be 1.4%, due primarily to increased enforcement. No growth is expected in 2005, and a steady annual 2% growth is programmed thereafter.

Licenses and permits ...

- ❑ show an artificially high increase in 2003 (25%) as a result of collapsing the Environmental Health activity into the General Fund. Previously, it was necessarily represented in a special revenue fund as part of the joint City-County Health Department.
- ❑ increase 13.2% in 2004, reflecting recommended increases in all diversion program fees.
- ❑ Include an increase of \$260,000 beginning in 2004, based on projected increases in license and alarm fee rates.

Current sales and services ...

- ❑ consist mainly of Park admission and entry fees, pavement cut activity, engineering overhead charges, Police accident report fees, and animal control services.
- ❑ show an artificially high increase as a result of Environmental Health activity becoming part of the General Fund, particularly water quality inspections.
- ❑ additionally, the City Council approved increases in several street management permit fees recommended by the Public Works Department.
- ❑ are assumed to grow 13% in 2003, 2.4% in 2004, 0.6% in 2005, and 3% annually through the balance of the planning period (2006-2008).

- ❑ Include an additional \$250,000 in Park revenues, projected to be generated beginning in 2004.

Administrative charges ...

- ❑ are designed to compensate the General Fund from non-General Fund activities for services rendered and expensed entirely from the General Fund, e.g., payroll and accounts payable functions.
- ❑ are developed annually by an external and independent auditing firm and updated during budget development.
- ❑ includes a significant amount (\$300,000) assumed to be received from capital projects for the first time in 2003.

Transfers in ...

- ❑ are reviewed during the budget process and many items are adjusted to reflect changes in costs.
- ❑ are less in 2002 due to the closing of Brooks Landfill and the suspension of several solid waste programs that were offset from Landfill transfers into the General Fund.
- ❑ include Landfill funds in excess of currently estimated post closure obligations (\$690,180 in 2004 and \$845,530 in 2005).

Interest earnings ...

- ❑ are calculated based on estimates of fund balance, cash flow, and available market rates.
- ❑ are expected to increase modestly in 2003 (2.1%) reflecting some rebound in market conditions in the latter half of the year, and are expected to grow 2.5% annually throughout the planning period.
- ❑ continue to be substantially below (-30%) the level of earnings in 2000 and 2001.

EXPENDITURES:

Expenditures (overall) ...

- ❑ will increase less than 3% annually in 2004 and 2005, but will likely increase an annual average of slightly more than 4% through the balance of the planning period.
- ❑ are impacted by inflation, growth-driven service requirements, and increases for health and other insurance.

Personal services ...

- ❑ represent 69% of General Fund expenditures (up from just under 68% in the 2003 Adopted).

- ❑ are assumed to increase 4% annually between 2006 and 2008 (for base wages and wage-driven benefits such as pension, social security, and workers comp, but not including health insurance). This is a net assumption for all GPA and merit increases combined for FLSA exempt and non-exempt employees.
- ❑ assume a 20% and 15% increase in health insurance costs for 2004 and 2005, respectively, with an employer share of 75% of costs. Assumptions beyond 2005 are conservatively estimated at 10% annually.

Contractuals and commodities ...

- ❑ increase in the current year budget due to shifting part-time/seasonal employees (currently budgeted in personal services) to contractual services. These employees are now hired through an employment agency to reduce workers' comp exposure.
- ❑ are expected to increase between 2% and 2.5% annually through the planning period (2004-2008).

Other expenditures ...

- ❑ include contributions to the joint City-County operations (Planning and Flood Control), the Transit subsidy, Economic Development, Storm Water Utility subsidy (in 2003 only, and discontinued thereafter), Tort liability, Art Museum, and various capital projects. Also included is a \$900,000 subsidy for Frontier Airline.

Fund Balance (December 31) ...

- ❑ based on the assumptions described, will be at 12.2% of annual expenditures at the end of 2003, 11.8% in 2004, 11.5% in 2005, 9.6% in 2006, 6.8% in 2007 and 3% in 2008.
- ❑ will marginally sustain current operating expenses, subsidies, and pending initiatives for the entire trending period; albeit with little or no margin for error.



CELEBRATING 100 YEARS OF FLIGHT



"Race with the Wind"

Artist: Brenda Jones
Where: Wichita Greyhound Park
1500 E. 77th Street North
(77th Street North & I-135)
Sponsor: Wichita Greyhound Charities
Benefits: Wichita Greyhound Charities

"Jerry B's Experimental"

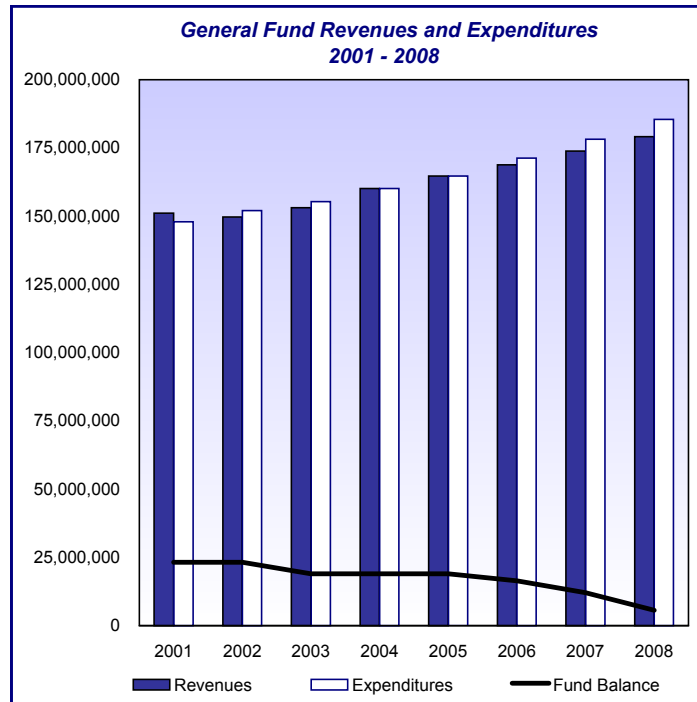
Artist: Tom McGuire & Norma Nicks
Where: Clifton Square
3700 E. Douglas Avenue
(Clifton & Douglas)
Sponsor: Baker Associates Inc.
Benefits: Clifton Square Charitable
Foundation



	2002 ACTUAL	2003 ADOPTED	2003 REVISED	2004 ADOPTED	2005 APPROVED
Budgeted operating revenue:					
General property taxes	45,349,272	47,555,320	47,484,230	51,488,040	53,528,560
Special assessments	21,349	17,440	21,350	21,350	21,350
Franchise fees	28,792,310	31,308,880	29,760,570	29,840,690	30,497,150
Motor vehicle tax	7,510,446	7,493,780	7,510,450	7,660,660	7,813,870
Local sales tax	20,476,052	21,165,190	20,476,050	20,885,570	21,407,710
Intergovernmental					
Gasoline tax	15,222,590	15,229,770	14,369,460	14,656,850	14,949,980
State-shared revenues	5,716,480	6,942,850	1,678,740	1,658,890	1,700,240
Licenses and permits	1,899,147	1,678,160	1,847,630	2,412,170	2,413,890
Fines and penalties					
Court	7,833,817	8,802,690	8,927,900	9,102,020	9,052,020
Other	305,471	374,250	374,250	374,740	374,740
Rental income	2,370,924	2,539,600	2,467,870	2,442,070	2,394,170
Interest earnings	2,721,857	3,565,350	2,777,990	2,746,910	2,917,430
Charges for services and sales	6,439,551	6,534,130	7,073,750	7,523,190	7,748,790
Administrative charges	2,567,658	3,075,110	3,178,110	3,184,210	3,192,140
Transfers from other funds	2,262,840	3,004,340	3,223,530	5,445,980	5,666,400
Reimbursed expenditures	255,497	1,835,730	1,978,400	646,130	1,069,210
Total budgeted operating revenues	149,745,262	161,122,590	153,150,280	160,089,470	164,747,650
Budgeted operating expenditures:					
Personal services	103,521,699	109,360,940	107,080,670	111,272,860	115,115,440
Contractuals	32,055,788	33,244,220	31,251,540	32,703,720	33,690,730
Commodities	4,677,182	5,917,200	5,974,620	6,009,350	6,038,580
Capital outlay	586,183	439,070	279,390	373,640	460,520
Other	11,175,833	12,161,160	10,721,170	9,729,900	9,442,380
Total budgeted operating expenditures	152,016,684	161,122,590	155,307,390	160,089,470	164,747,650
Subtotal budgeted operating revenues over (under) budgeted operating expenditures	(2,271,422)	0	(2,157,110)	0	0
Unencumbered cash/fund balance as of January 1	23,245,578	23,245,577	21,125,685	18,968,575	18,968,575
Residual equity transfer	151,530	0	0	0	0
Total unencumbered cash/fund balance as of December 31					
Appropriated reserve	7,763,291	14,466,145	18,968,575	10,442,002	10,220,184
Unappropriated reserve	13,362,394	8,779,432	0	8,526,574	8,748,392
<i>Unencumbered cash as a percentage of expenditures</i>	<i>13.9%</i>	<i>14.4%</i>	<i>12.2%</i>	<i>11.8%</i>	<i>11.5%</i>
One mill of assessed value	2,190,263	2,281,662	2,281,662	2,463,499	2,562,040
Increase in value of mill (%)	5.37%	4.17%	4.17%	7.97%	4.00%
General Fund mill levy	21.437	21.727	21.727	21.845	21.845
Debt Service Fund mill levy	<u>10.037</u>	<u>10.118</u>	<u>10.118</u>	<u>10.000</u>	<u>10.000</u>
Total mill levy	31.474	31.845	31.845	31.845	31.845
General Fund (excluding delinquency)	44,604,900	46,599,110	46,599,110	50,586,220	52,609,700
Debt Service Fund (excluding delinquency)	<u>20,883,420</u>	<u>21,700,250</u>	<u>21,700,250</u>	<u>23,156,890</u>	<u>24,083,180</u>
Total property tax (excluding delinquency)	65,488,320	68,299,360	68,299,360	73,743,110	76,692,880

CITY OF WICHITA

2006 PROJECTED	2007 PROJECTED	2008 PROJECTED
55,654,670	57,865,490	60,164,420
21,350	21,350	21,350
31,341,600	32,211,550	33,107,750
8,048,290	8,289,740	8,538,430
21,996,420	22,601,320	23,222,860
15,323,730	15,706,830	16,099,500
1,751,250	1,803,790	1,857,900
2,462,220	2,511,500	2,561,720
9,233,070	9,417,750	9,606,090
382,230	389,880	397,680
2,442,060	2,490,910	2,540,720
2,990,360	3,065,110	3,141,740
7,981,060	8,220,250	8,466,670
3,255,980	3,321,090	3,387,520
4,822,380	4,823,910	4,825,470
1,090,600	1,112,410	1,134,650
168,797,270	173,852,880	179,074,470
120,505,990	126,190,780	132,189,380
34,565,420	35,466,220	36,393,430
6,159,340	6,282,560	6,408,230
472,540	484,890	497,570
9,631,230	9,823,850	10,020,320
171,334,520	178,248,300	185,508,930
(2,537,250)	(4,395,420)	(6,434,460)
18,968,575	16,431,325	12,035,905
0	0	0
7,490,095	2,974,753	0
8,941,231	9,061,153	5,601,445
9.6%	6.8%	3.0%
2,664,520	2,771,100	2,881,940
4.00%	4.00%	4.00%
21.845	21.845	21.845
<u>10.000</u>	<u>10.000</u>	<u>10.000</u>
31.845	31.845	31.845
54,714,050	56,902,600	59,178,620
<u>25,046,490</u>	<u>26,048,340</u>	<u>27,090,240</u>
79,760,540	82,950,940	86,268,860





CELEBRATING 100 YEARS OF FLIGHT



"SkyWriter"

Artist: Greteman Group
Where: Hotel at Old Town
830 E. 1st Street
(1st Street & Mosley)
Sponsor: Consolidated Holdings
Benefits: Exploration Place

"Stealth"

Artist: Todd Whipple
Where: V.A. Hospital
5500 E. Kellogg
(Kellogg & Edgemoor)
Sponsor: Sherwood Construction and
Wildcat Construction
Benefits: KSU College of Engineering

